

# MIAMIBEACH

**City of Miami Beach**, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

OFFICE OF THE CITY MANAGER

LTC # **339-2015**

LETTER TO COMMISSION

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: August 31, 2015

SUBJECT: Convention Center Headquarter Hotel Referendum

Attached please find correspondence from Jack Portman transmitted to me over the weekend. As a result of this request, my intention is to withdraw item R7B "Resolution Calling November 3, 2015 Special Election for the Headquarter Hotel Leased Property" from consideration until a later date.

Item R7A for the Development and Ground Lease Agreement, 2<sup>nd</sup> Reading, will remain on the agenda.

If you have any questions, please contact me at extension 6637.

Thank you.

Attachment: Email correspondence dated August 29, 2015 from Jack Portman.

cc: Maria Hernandez, Project Director, Convention Center District

JLM/MH

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## Morales, Jimmy

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**From:** Portman, Jack <jportman@portmanholdings.com>  
**Sent:** Saturday, August 29, 2015 9:30 PM  
**To:** Morales, Jimmy  
**Cc:** Baisiwala, Ambrish  
**Subject:** Miami Beach Convention Center Hotel

Jimmy,

We greatly appreciate the help and support we've received from you and the City in developing the Convention Center Hotel. Our enthusiasm to move forward with the Hotel is as strong as ever, and we still believe this is a tremendous opportunity for us to work with the City in a way that will be mutually beneficial. However, several developments have occurred recently that have lead us to conclude that postponing the referendum on the Hotel until next March will give us a greater chance to be successful in obtaining the necessary vote.

We need the additional time to thoroughly prepare our public outreach campaign to ensure the voters are properly informed of all the positive benefits that will result from the development of the convention headquarter hotel project. The city's investment of \$500 million in its convention center will only be successful if the adjacent convention hotel is constructed. This is a complex undertaking and after discussions with several community leaders we believe the public awareness and understanding of the referendum question needs to be more thoroughly communicated.

We've also discovered that the prospects for the Hotel are so well considered by the major hotel operators that we are spending more time than originally anticipated in evaluating the operator we want to move forward with. Each of the operators has shown flexibility and creativity in trying to convince us that they are the right fit for this Hotel. We think this is a good indication of the future success of the Hotel. We don't want this decision making process to hinder our ability to move forward with the project immediately after a successful referendum, so here again additional time will help us to adhere more effectively to our development schedule.

We would appreciate the City's indulgent in granting this request for an extension. We also request the city move forward with the second reading of the lease as scheduled in order that this process reaches conclusion as soon as possible. Rest assured that we are still strongly motivated to proceed with the Hotel, and are making this request only because we believe it is in the best interest of the successful implementation of this project.

Regards,

Jack Portman